



Contact: Erny Zah
Director of Communications
Cell: (928) 380-0771
navajonationpress@navajo-nsn.gov

For Immediate Release
Oct. 1, 2013

Navajo President Shelly Signs Navajo Nation FY 2014 Budget

WINDOW ROCK, Ariz. – Navajo Nation President Ben Shelly signed the 2014 fiscal year comprehensive budget into law and line item vetoed at least \$8.7 million in supplemental appropriations passed by the Navajo Nation Council earlier this month, which would have left \$107 in the Undesignated Unreserved Fund Balance (UUFB).

President Shelly signed the budget with the line item vetoes Friday late afternoon.

“As leaders, we have an obligation to act fiscally responsible,” President Shelly said. “When the Shelly/ Jim administration took office, the Navajo Nation was more than \$20 million in the red. I took the strong position that the UUFB should maintain \$20 million above the minimum UUFB balance mandated by Navajo law, which could be used for emergencies and other unforeseen budget cutbacks.”

As part of the comprehensive budget, all general funded Navajo Nation employees are scheduled for a three percent wage increase; the Navajo Nation Area Agency on Aging budget will minimize layoffs; decentralization planning to bring more services to local communities was funded at \$3 million and \$2.9 million was budgeted for the Land Department to establish a registry of land records on the Navajo Nation.

“It is important to weigh and thoroughly consider all appropriations that utilize the Navajo People’s money. Especially with the current environment in Washington, D.C. it is important for us to make these wise decisions,” President Shelly said.

President Shelly line item vetoed about \$5 million in proposed spending from the UUFB and about \$994,000 from the Personnel Savings Fund.

“The Personnel Savings Fund and the UUFB are sources that depend on external conditions for funding. Those conditions can fluctuate each year and change the amount of money we have in those accounts. Therefore, we must exercise great caution when budgeting money from these sources and follow all applicable Navajo laws regarding spending of the Navajo People’s money,” President Shelly.

Most of the line items were vetoed because of failures to comply with budgetary processes outline by an executive order or the Appropriations Act, or the budget instruction manual.

The following supplemental requests were line item vetoed:

- \$3 million from proposed infrastructure spending for the former Bennett Freeze area in the Western portion of the Navajo Nation.
- \$3 million for Public Employment Funds for the 110 chapters.
- \$1.2 million for chapter improvements.
- A \$500,000 fuel cost supplemental appropriation.
- \$550,000 for General Activity Fund Balance to be split with all 110 chapters.

“The total amount returned to the UUFB is about \$8.7 million,” said President Shelly.

“It is important that the budget supplement requests comply with the Navajo Nation Appropriations Act, all policies and procedures created by FY 2014 Budget Instructions and Policies Manual and other pertinent Navajo laws,” President Shelly wrote.

The Navajo Council cannot override the line item vetoes exercised by the Navajo Nation president.

###